

## The FACTs: HUD's Manu*fact*ured Housing Newsletter



Office of Manufactured Housing Programs

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Newsletter! The purpose of this newsletter is to connect to individuals who encompass the different aspects of manufactured housing – manufacturers, retailers, trade associations, state and local officials, lenders, and consumers. We also want to reach out to those who are curious about manufactured housing, HUD's role as a regulatory body, and the impact of rules and regulation on the industry.

If you would like to receive further issues of the FACTs newsletter, <u>click here</u> to be added to our database. In addition to information from HUD's Manufactured Housing program, a new feature will be implemented periodically.

This "spotlight" will feature a guest columnist from outside of the Department. The purpose of this new feature will be to relay items of interest to other manufactured housing stakeholders. If you are interested in submitting an article to the FACTs Newsletter, please send an email to <a href="mailto:mhs@hud.gov">mhs@hud.gov</a> and include the words "Article Submission" in the subject line.

# Manufactured Housing hosts State Administrative Agency and Primary Inspection Agency Conference

The Office of Manufactured Housing Programs held its first meeting of the State Administrative Agency and Primary Inspection Agency (SAA/PIA) partners in five years at the Holiday Inn – Capitol on April 7 through 9, 2015.

Pamela Beck Danner, Administrator for Manufactured Housing and Frank Vetrano, Deputy Assistant Secretary for Risk Management and Regulatory Affairs kicked off the three day meeting by welcoming the SAA and PIA partners.

After introduction of the participants, everyone broke up into working groups to review a provided case study and discuss

the specifics of the roles and responsibilities of an SAA. Each working group presented their conclusions of the case study to the full meeting body.

Manufactured Housing and IBTS (monitoring contractor) staff participated in a panel discussion of the roles and responsibilities of the SAAs and how HUD supports the goal, mission, and program enforcement for the manufactured housing program.

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### SAA-PIA Conference



Presentation and Panel Discussion: Overview of the Roles and Responsibilities of SAAs – Pamela Beck Danner, Administrator, Rick Mendlen, Senior Structural Engineer, Teresa Payne, Deputy Administrator, Ashok Goswami, Chief Executive Officer, IBTS, and Jason McJury, Director, Federal Service, IBTS.

The second day of the meeting began with an overview of the Federal Dispute Resolution Program. Lane Pethel moderated a panel discussion of the Dispute Resolution Program and North Carolina, Virginia, and New Mexico presented how their respective states handled dispute resolution cases.

SEBA Professional Services (installation contractor) gave a synopsis of the Manufactured Home Installation Program. A simulation of the online training course on all phases of proper installation of manufactured housing that is being developed was also presented.

Angelo Wallace moderated the Installation Program Panel along with representatives from the States of Arizona, Georgia, and Pennsylvania which presented their installation programs.

Patricia McDuffie and IBTS staff gave the final presentation reviewing the process, procedures, and requirements for states to submit a State Plan Application to HUD and encouraged participating states to update their information and inform Manufactured Housing when changes occur to their office. Teresa Payne, Deputy Administrator for the Office of Manufactured Housing Programs, closed the meeting thanking all participants for their engaging comments, summarized the presentation overviews and the panel discussions, and allowed time for additional questions.

On the final day of the meeting, Housing Manufactured staff members Rick Mendlen and Angelo Wallace, along with IBTS staff, had a presentation followed by a panel discussion on the roles responsibilities of the PIAs. The discussion included how their function plays a role in the manufactured housing program and how they help ensure a safe and durable housing product for the public.

Vic Ferrante discussed the Alternative Construction (AC) program which encourages innovation and the use of new technology in manufactured housing. He also reviewed the guidelines and regulations the manufacturers must adhere to when submitting a request to build homes that do not conform to the Manufactured Home Construction and Safety Standards.

Eric Bers followed-up the presentation by discussing some of the pertinent issues affecting manufacturers' requests such as attached garages, building homes under an expired AC letter, and not properly identifying the serial number of a manufactured home built under an AC letter.

Similar to the first day, a break out session to review a case study and discuss the roles, responsibilities, and decisions of the PIAs was held on the last day of the SAA/PIA conference. The presenter for each group presented their findings to the general meeting. A panel, consisting of both HUD and IBTS staff, elaborated on other aspects of the inspection agencies' function and fielded questions from the audience.

Angelo Wallace served as the moderator for the Federal Funding panel discussion. The States of Alabama, North Carolina, and Idaho presented how their respective states used the monies allocated by HUD to enforce and carry out the functions of the manufactured housing program.

Jason Stayanovich, Associate Deputy Assistant Secretary for Risk Management and Regulatory Affairs, was able to observe some of the panel discussion and was impressed with the level of conference participation.

Pamela Danner concluded the final day of the SAA/PIA meeting thanking everyone for taking time out of their busy schedules and participating in the meeting. Many participants praised HUD for putting together an informative and mutually beneficial meeting. Manufactured Housing looks forward to building upon new and renewed relationships with their state and inspection agency partners.

#### State Administrative Agency and Primary Inspection Agency Meeting April 8, 2015 – Day 2



Dispute Resolution Program Presentation – Paul DeYoung and Shelby Giles – Savan Group



State Administrative Agency Representatives



Installation Program Presentation – George Porter, President, Manufactured Housing Resources, and Michael Henretty, Program Manager, SEBA Professional Services.





SAA Dispute Resolution Panel Discussion – Lane Pethel, Manufactured Housing Specialist, Pat Walker, North Carolina SAA, Eric Leatherby, Virginia SAA, and Jesus Carrasco, New Mexico SAA.



Primary Inspection Agency Representatives



SAA Installation Program Panel Discussion – Angelo Wallace, Manufactured Housing Specialist, Debra Blake, Deputy Director, Arizona SAA, Chris Stephens, Deputy State Fire Marshal, Georgia SAA, and Mark Conte, Director, Pennsylvania SAA.

State Plan Application - Patricia McDuffie, Manufactured Housing Specialist, and John Cybulski, SAA Manager, IBTS.

#### State Administrative Agency and Primary Inspection Agency Meeting April 9, 2015 – Day 3



Presentations on the Roles and Responsibilities of PIAs – Rick Mendlen, Senior Structural Engineer, Dick St. Onge, Manager, Quality Audits, IBTS, Angelo Wallace, Manufactured Housing Specialist, and James Turner, Task Lead Project Engineer, IBTS.



Alternate Construction Procedures and Issues – Vic Ferrante, Mechanical Engineer, Eric Bers, General Engineer, and James Turner, Task Lead Project Engineer, IBTS.



Roles and Responsibilities of PIAs – Jesus Carrasco, New Mexico SAA, Pamela Beck Danner, Administrator, Rick Mendlen, Senior Structural Engineer, Teresa Payne, Deputy Administrator, Ashok Goswami, Chief Executive Officer, IBTS, and Jason McJury, Director, Federal Service, IBTS.



SAA Federal Funding Panel – Angelo Wallace, Manufactured Housing Specialist, William Colley, Alabama SAA, Joe Sadler, North Carolina SAA, and Stephen Keys, Idaho SAA.



Closing remarks by Pamela Beck Danner, Administrator.



## Anti-Scald Devices Update

On April 24, 2015, the Office of Manufactured Housing Programs published an update to its March 10, 2015 memorandum on the Installation of Mixing Valves and Water Temperature Limiting Devices (Anti-Scald Valves).

HUD sought to clarify the responsibilities and guidance for manufacturers as well as Primary Inspection Agencies (PIAs) pertaining to the installation of mixing valves and water temperature limiting devices for shower and tub shower combinations and for bathtubs and whirlpool baths which is now required by the Manufactured Home Construction and Safety Standards.

Section 3280.607(b)(3)(v), requires shower and tub-shower combination valves to be either pressure balanced, thermostatic, or combination mixing valves that conform to the requirements of ASSE 1016 – 2005 and having a maximum temperature setting of 120°F.

Hot water supply for bathtubs and whirlpool bathtubs should be equipped with a water temperature limiting device that conforms to the requirements of ASSE 1070 - 2004 and will deliver hot water with a maximum temperature of  $120^{\circ}$ F.

The installation, accessibility, and testing of the valves and fixtures are critical to ensuring the fixtures perform as required to limit the temperature of the water delivered from the fixture outlets to a maximum of 120° F

Manufacturers need to obtain Design Approval Primary Inspection Agency (DAPIA)-approval of the product manufacturer installation instructions/ specifications for the valves and fixtures as part of their construction design package. It is also the responsibility of the manufacturer to determine appropriate in-factory quality control measures that when followed will result in a home that complies with the above-emphasized standards requirements.

Manufacturers must also include procedures in their quality assurance manuals for in-plant water testing in order to verify that the temperature setting for these devices does not exceed a maximum of 120° F.

If the valves and fixtures are not temperature-set and verified by the manufacturer as indicated above, the manufacturer's DAPIA approved installation instructions must be amended to include and require that the temperature setting for these devices is to be water tested (24 CFR 3285.603(e)) and verified during the installation/setup of the home, so as to ensure compliance.

Alternatively, home manufacturers may want to request that product suppliers pre-set their valves and devices and provide written verification to manufacturers that the setting will not allow hot water to exceed a maximum temperature of 120° F.

Access must be provided in accordance with an approved design that will facilitate setting and adjustment of the devices as well as provide for ongoing maintenance in accordance with product manufacturer instructions.

#### News and Events...



Wisconsin
Housing
Alliance:
On March

On March 12, 2015, Pamela Beck Danner presented an Update on the

Federal Manufactured Housing Program at the Wisconsin Housing Alliance's Installation Seminar in Madison, WI. Ross Kinzler, Executive Director of the Wisconsin Housing Alliance stated that she was the first HUD Manufactured Housing Administrator to speak to his association. Her remarks focused on the requirements for the Federal Installation Program that will be administered by HUD with the assistance of its new contractor, SEBA Professional Services, and the need for an Alternative Construction Letter for homes that are being designed for attached garages.

#### Northeast Super Symposium IV:

On March 25, 2015, Pamela Beck Danner spoke to the Northeast Super Symposium IV for MH Community Owners from Maine to Maryland in Albany, NY, regarding recent happenings in the Federal Manufactured Housing Program, including the implementation of the Federal Installation Program in states without an approved installation program and implementation of the Federal Manufactured Home Dispute Resolution Program in those 23 states without an approved Dispute Resolution Program.



#### 2015 National Congress & Expo:

On April 16, 2015, Pamela Beck Danner was the featured speaker providing an Update on the Federal Manufactured Housing Program at the 2015 National



Congress & Expo in Las Vegas, Nevada. She provided an update of the Federal Program's activities for the past year during her administration along with her vision for program priorities over the coming year.

# Did you know?...

Below are graphics that show floor and home production data provided by the Institute for Building Technology and Safety.

Monthly Percent Change in Floors Produced From the Previous Year

Year / Previous Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2011/2010	-17.9	-19.3	-13.2	-21.5	-15.8	-10.6	-15.5	+1.5	+8.7	+26.5	+36.5	+34.1
2012/2011	+38.8	+37.5	+14.0	+16.0	+17.4	+.5	+11.1	+10.6	-8.6	+1.2	-10.5	-7.2
2013/2012	+7.9	+.3	-2.3	+15.0	+7.9	+4.8	+15.1	+4.2	+18.9	+18.3	+11.5	+15.5
2014/2013	+7.1	+7.3	+8.7	+6.6	+2.7	+5.9	+14.0	-0.2	+10.1	+5.6	+1.7	+15.4
2015/2014	+9.4	+8.3										

#### Breakout of Homes and Floors Produced by Year-to-Date

Year-To-Date	Single-Wide Homes	Multi-Wide Homes	Total Homes*	Floors*	
January-February 2014	3,949	4,817	8,766	13,688	
January-February 2015	4,746	5,026	9,772	14,904	
% change	+20.2%	+4.3%	+11.5%	+8.9%	

Fiscal Year to Date Production Information and Comparison

Month	FY11		FY12		FY13		FY14		FY15	
	Floors	Homes								
October	6,209	3,849	7,857	5,418	7,954	5,127	9,412	6,078	9,938	6,505
November	5,511	3,459	7,522	5,332	6,736	4,365	7,509	4,870	7,636	4,955
December	4,354	2,745	5,838	3,798	5,420	3,480	6,262	3,985	7,228	4,704
January	4,341	2,796	6,023	3,983	6,496	4,242	6,959	4,405	7,614	4,969
February	4,547	2,892	6,254	4,145	6,271	4,151	6,729	4,361	7,290	4,803
March	6,226	4,035	7,095	4,671	6,930	4,467	7,530	4,899		
April	6,123	3,944	7,101	4,630	8,167	5,313	8,707	5,653		
May	6,859	4,464	8,050	5,211	8,682	5,622	8,914	5,733		
June	7,864	5,021	7,906	5,075	8,287	5,338	8,779	5,624		
July	5,781	3,676	6,506	4,221	7,489	4,793	8,538	5,675		
August	7,944	5,187	8,789	5,580	9,154	5,886	9,132	5,955		
September	7,610	5,055	6,956	4,393	8,269	5,483	9,103	5,862		_
TOTALS	73,369	47,123	85,897	56,457	89,855	58,267	97,574	63,100	39,706	25,936

# From the desk of the Administrator....

We are now into our third quarter of our fiscal year; and as you can read from this newsletter, we are very pleased to have just hosted in April our first national SAA/PIA Meeting in 5 years. Based on the evaluations received from our participants in which we received mostly ratings of strongly agree or agree in all categories, we are happy to report that the meeting was very successful. We look forward to planning to host this meeting on an annual basis.

My staff is working with our Office of General Counsel on processing the third set of standards as a proposed rule, the final on-site construction rule, and the proposed revised Recreational Vehicle Exemption. We are also working with the Department of Energy on the manufactured home energy standards and the Environmental Protection Agency on its final formaldehyde standards. For the HUD-administered installation program, we are planning to launch a pilot installation program in Maryland and Nebraska this summer.

The Office of Manufactured Housing Programs staff, our meeting planner, and our Administering Organization are currently working on planning for an in-person Manufactured Housing Consensus Committee meeting tentatively scheduled for the week of August 17<sup>th</sup>. This will be a three day meeting from August 18-20 at the Holiday Inn-Capitol where our SAA/PIA Meeting was recently held. We want to extend an open invitation to all the public that is interested in attending.

We continue to seek ways to communicate more frequently and effectively with you all; so if you have suggestions, please let us know. I hope to see many of you in August here in Washington, DC.

Pamela Beck Danner, Administrator

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